



CALIFORNIA BOARD OF ACCOUNTANCY
2000 EVERGREEN STREET, SUITE 250
SACRAMENTO, CA 95815-3832
TELEPHONE: (916) 263-3680
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WEB ADDRESS: <http://www.dca.ca.gov/cba>



California Practice Privilege Notification Form Instructions General Information and Instructions for Completing Your Paper

Note: These instructions are intended solely for the completion of a paper California Practice Privilege Notification Form. An online version of the Notification Form can be found on the CBA's Web site for online submission.

These instructions are intended to assist in the completion of your paper California Practice Privilege Notification Form (Notification Form). For additional information, please visit the California Board of Accountancy's (CBA) Web site at www.dca.ca.gov/cba to download the *California Practice Privilege Handbook*. You also may request the Handbook by contacting the Practice Privilege Unit at pracprivinfo@cba.ca.gov or by telephoning (916) 561-1704.

A Practice Privilege is not intended as a long-term substitute for obtaining a California CPA license. To review the licensure requirements and obtain the application, please visit the CBA's Web site at www.dca.ca.gov/cba or telephone the Licensing Unit at (916) 561-1701.

Failure to comply with Section 5096 of the California Business and Professions Code and Sections 27-35.1 and 70 of the California Accountancy Regulations may lead to your Practice Privilege being placed under administrative suspension and/or a fine. Please note that failure to pay a fine or resolve an administrative suspension is a disqualifying condition that will require prior CBA approval if you choose to reapply for a California Practice Privilege.

General Practice Privilege Information

Practice Privilege Requirements. If you are an out-of-state CPA, not licensed in California, and you intend to come into California to offer and provide public accounting services, or if you intend to offer and provide public accounting services to a California client from a location outside of California, or if you have a pending California license application and wish to maintain temporary practice rights while your application is under review, you must meet the following requirements for a California Practice Privilege:

1. Your principal place of business cannot be located in California unless currently you have a California CPA license application pending CBA approval.
2. You must hold a valid, current license, certificate, or permit from another state and meet one of the following requirements:
 - Hold a current, valid license, certificate, or permit to practice public accountancy issued by a state deemed by the CBA to be substantially equivalent, and the requirements under which that license, certificate, or permit was issued are deemed by the CBA to be substantially equivalent to the requirements in Section 5093 of the California Business and Profession Code (California Accountancy Act), **OR**

- Possess education, examination, and experience qualifications that have been determined by the CBA to be substantially equivalent to the qualifications under Section 5093 of the California Accountancy Act. The CBA will accept individual qualification evaluations of substantial equivalency completed by the National Association of State Boards of Accountancy's (NASBA) CredentialNet. Information regarding CredentialNet can be found on NASBA's Web site at www.nasba.org, **OR**
- Have continually practiced public accountancy as a CPA under a current, valid license issued by any state for four of the past ten years.

Form Submission. You can submit the paper version of the Notification Form either by mail or via facsimile. If you choose to submit a completed Notification Form by mail and you have not indicated any disqualifying conditions, your California Practice Privilege commences on the date postmarked on the envelope. If you submit a completed Notification Form without any disqualifying conditions via facsimile, your California Practice Privilege commences on the day the Notification Form is transmitted.

Completed Notification Forms will be accepted via facsimile at (916) 263-3672.

Notification Fee. You are required to submit the \$100 California Practice Privilege Notification Fee, along with the CBA-provided Remittance Form (available on the Board's Web site), within 30 days of submission of the Notification Form. The CBA accepts fees by personal check, cashier's check, money order, or postal certified check. Make the fee payable to the California Board of Accountancy. Please note that the Notification Fee is nonrefundable.

Where to Mail the Fee. The fee, with the CBA-provided Remittance Form, should be mailed to the following:

California Board of Accountancy
Practice Privilege Unit
2000 Evergreen Street, Suite 250
Sacramento, CA 95815-3832

Incomplete Forms. You are required to provide all information requested on the form. An incomplete or improperly completed Notification Form will delay your California Practice Privilege or result in the loss of practice rights. The CBA will notify you in writing of any such deficiencies.

Updates to the Notification Form. You are required to notify the CBA within 30 days of any change in the information reported on the Notification Form. Failure to notify the CBA of any update(s) to your information may subject you to a fine under the California Code of Regulations, Title 16, Division 1, Article 4, Section 33.

Completing Your California Practice Privilege Notification Form

User Name.

Upon receipt of a paper Notification Form, a client account will be created that can be accessed via the Board's Web site at www.dca.ca.gov.cba. For the CBA to establish your client account, a User Name must be created. You have the option to select your own User Name by completing the space provided on the Remittance Form; however, the Remittance Form must be received concurrently with your Notification Form in order for you to select your own User

Name. If you fail to submit the Remittance Form, a User Name will be created for you, and you will be informed of your User Name and password. You will have the option of changing your password upon entering your client account; however, you will not be able to change your User Name.

If you create your own User Name, it must adhere to the following:

- **Must begin with an alpha character.**
- **No spaces or special characters allowed.**
- **Must be a minimum of seven characters and no more than sixteen characters.**

Please note that User Names are case sensitive.

Failure to follow these specifications may result in Practice Privilege staff creating a User Name for you.

Contact Information.

Please provide all of the contact information requested on the Notification Form. The contact information asterisked (*) below will be public information available on the CBA's Web Licensee Lookup. Your telephone number, fax number, e-mail address, date of birth, and Social Security Number **will not** be made available to the public.

Unless indicated as optional, all items must be completed; otherwise, you will not be authorized to practice public accountancy in California under a California Practice Privilege.

***Name.** Please provide the name you have used with the state of licensure identified in Item 3 of the Notification Form.

***Prior Name(s).** Please provide any prior name(s) you may have used with the state of licensure identified in Item 3 of the Notification Form.

Firm Name. Please provide the firm name of which you are an employee or employee/owner. Note that a firm name also is defined as a sole proprietor for the purposes of obtaining a California Practice Privilege.

Address of Principal Place of Business. Please provide the address of your principal place of business in the state you identified in Item 3 of the Notification Form. You may not list a California address unless you currently have a California CPA license application pending CBA approval.

***Address of Record** (optional). Your Principal Place of Business address will be used as your address of record, unless otherwise indicated. Your address of record will be available on the CBA's Web License Lookup.

Telephone Number. Please provide a business telephone number.

Fax Number (optional). Please provide a fax number.

Business E-mail (optional). Please provide an e-mail address in this space only if you would like to receive communications from the CBA via e-mail in lieu of mail through the U.S. Postal

Service to your address of record. In certain circumstances, the CBA will continue to use your address of record for its communications.

Date of Birth. Please provide your date of birth in the following format: MM/DD/YYYY.

Social Security Number (SSN). Disclosure of your SSN is mandatory. Your SSN **will not** be made available to the public. If you fail to disclose your SSN, you will not be authorized to practice public accountancy in California under a California Practice Privilege.

Qualification Requirements.

You are required to check a box for each of the items 1 through 12. Otherwise, you **will not** be authorized to practice public accountancy in California under a California Practice Privilege.

1. You must be an individual to qualify for a California Practice Privilege. At this time, there are no provisions for firms to qualify for a California Practice Privilege.
2. To qualify for a California Practice Privilege, you may not maintain a principal place of business in California, and you may not maintain an office unless it is through a firm registered in California of which you are an employee or employee/owner.

OR

You have submitted an application for California CPA licensure. If you have applied for licensure under Section 5093 of the California Accountancy Act and are licensed in a state deemed by the CBA as substantially equivalent, you may check box 4a of the Notification Form; however, if you are from a state not deemed by the CBA as substantially equivalent, you must either apply for individual substantial equivalency through NASBA's CredentialNet (4b) or meet the four of ten requirement (4c). If you have applied under Section 5092 of the California Accountancy Act, you would need to meet the four of ten requirement (4c).

Pending applicants will not be disqualified from obtaining a California Practice Privilege during the period the application is pending by virtue of maintaining a principal place of business in California.

3. Please provide the state of licensure, license number, date of issuance, and license expiration date for the CPA license you are using to qualify for a California Practice Privilege. The licensure information you provide will be reflected on the CBA Practice Privilege Status Lookup.
4. Please check either a, b, or c to indicate under which condition the license identified in Item 3 qualifies.
 - a. Please check this box if the license identified in Item 3 is substantially equivalent to the provisions specified in Section 5093 of the California Accountancy Act. Please note that even though a state appears on the list of substantially equivalent states that not all licenses, certificates, or permits issued by that state will be deemed substantially equivalent under Section 5093. Some states are two-tiered and, in turn, certain licenses, certificates, or permits issued by that state are not deemed substantially equivalent. It is your responsibility to determine the circumstance under which your license, certificate, or permit was issued. A list of substantially equivalent states can be found in the *California Practice Privilege Handbook*. Those noted with an asterisk are states that have a two-tier system.

b. Please check this box if your qualifications have been deemed substantially equivalent by the National Association of State Boards of Accountancy's (NASBA) CredentialNet. Please provide your CredentialNet file number in the space provided.

c. Please check this box if you have continually practiced public accountancy as a CPA under a valid license issued by any state for at least four of the past ten years. The four years do not need to be consecutive.

5. Please check this box if you are submitting the Notification Form at or before the time you began the practice of public accountancy in California; **OR**

Please check this box if you are submitting the Notification Form within five business days after you began the practice of public accountancy in California. You also will be required to explain the reason you did not provide notice on or before the date you began the practice of public accountancy in California. **This option will only be available through December 31, 2007.**

6. Please check this box if you have met all of the continuing education requirements and any exam requirements for the state of licensure that you identified in Item 3 on the Notification Form.
7. Self-explanatory.
8. Self-explanatory.
9. Self-explanatory.
10. Self-explanatory.
11. Self-explanatory.
12. Self-explanatory.

Requirements for Signing Attest Reports.

You may not sign an attest report under a California Practice Privilege unless you have 500 hours of qualifying experience in attest services pursuant to Section 5096.5 of the California Accountancy Act. For further clarification regarding qualifying experience, please refer to Section 5095 of the California Accountancy Act and Section 12.5 of the California Accountancy Regulations found on the CBA's Web site at www.dca.ca.gov/cba.

Please select either "Yes" or "No." If you select "No," you cannot sign attest reports under this California Practice Privilege, and that information will be reflected on the CBA's Practice Privilege Status Lookup.

Disqualifying Conditions.

If you check "Y" in regards to any of the disqualifying conditions on the Notification Form, you are not authorized to practice public accountancy in California without prior approval. You are required to provide explanatory details regarding the disqualifying condition(s) on Attachment 1.

You will be notified in writing of the outcome of the CBA's review.

A: Convictions. In addition, you are required to give explanatory details concerning the conviction on Attachment 1.

B: Discipline. In addition, you are required to give explanatory details concerning the reason(s) for the disciplinary action(s) on Attachment 1.

C: Subject to an investigation. In addition, you are required to give explanatory details concerning the reason(s) and nature of the investigation on Attachment 1.

D: Unresolved administrative suspension or unpaid fine. You are required to provide a written explanation on Attachment 1 regarding the circumstances that resulted in the administrative suspension or fine and the reason(s) the administrative suspension and/or fine have not been resolved.

E: Did not respond to earlier request for information from CBA. You are required to provide a written explanation on Attachment 1 of what was requested by CBA and explain why it was not supplied.

F: Board approval is required before practice may commence. You are required to provide a written explanation on Attachment 1 regarding the circumstances that resulted in the requirement of CBA approval of a future California Practice Privilege.

G: Civil judgment or arbitration award documents. In addition, you are required to provide a written explanation of the events that led to the dispute, as well as the date of the judgment, the jurisdiction/court the judgment was given, and the docket number.

Required Additional Information.

Please answer the following questions and statements. If you fail to answer the following questions your Notification Form will be considered incomplete, and you will not be allowed to practice in California under a California Practice Privilege.

Do you currently hold a California Practice Privilege? If you ever have held a prior California Practice Privilege, please indicate when your Practice Privilege expired and the Unique Identification Number previously provided to you by the CBA.

Have you ever held a California CPA/PA license? If you ever held a California CPA license and it is currently inactive, delinquent, or revoked, please provide your CPA license number.

In addition to the state of licensure identified in Item 3, I hold, or have held, a CPA license in the following state(s). Please indicate all licenses held. Attach an additional sheet of paper if necessary.

An answer of "No" to the following three statements **will not** disqualify you from the California Practice Privilege.

I am an associated person of a firm registered with the PCAOB: Self-explanatory.

My firm has undergone peer review within the last three years: Self-explanatory.

The state of licensure identified in Item 3 requires CE in fraud detection: Self-explanatory.

Signature: Sign and date the form. Your signature is required for a California Practice Privilege.



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**NOTIFICATION AND AGREEMENT TO CONDITIONS FOR THE PRIVILEGE TO
PRACTICE PUBLIC ACCOUNTING IN CALIFORNIA PURSUANT TO CALIFORNIA BUSINESS AND
PROFESSIONS CODE SECTION 5096 AND TITLE 16, DIVISION 1, ARTICLE 4 OF THE
CALIFORNIA CODE OF REGULATIONS**

Name: _____ Prior Name(s): _____

Firm Name: _____

Address of Principal Place of
Business (mailing address): _____Address of Record
(if different than address above): _____Telephone Number _____ Fax _____ Business
(Business Hours): _____ Number: _____ E-mail: _____

Date of Birth: ____/____/____ Social Security Number: _____

QUALIFICATION REQUIREMENTS:I state as follows:

1. ☐ I am an individual.
2. ☐ My principal place of business is not in California, and I do not have an office in California other than through a firm that is registered in California and of which I am an employee or an employee/owner; **OR**
- ☐ I have a pending application for licensure in California under Sections 5087 and 5088.
3. ☐ I qualify for a practice privilege based on my current, valid license to practice public accountancy in the following state:

State: _____ License _____ Date _____ License
Number: _____ Originally Issued: _____ Expiration Date: _____

4. ☐ a. The license identified in Item 3 is deemed substantially equivalent by the California Board of Accountancy (CBA); **OR**
- ☐ b. My individual qualifications have been determined by the National Association of State Boards of Accountancy (NASBA) to be substantially equivalent (NASBA file no. _____); **OR**
- ☐ c. I have continually practiced public accountancy as a certified public accountant under a valid license issued by any state for 4 of the last 10 years.
5. ☐ I am submitting this notice to the CBA at or before the time I begin the practice of public accountancy in California; **OR**
- ☐ (This option is only available through December 31, 2007.) I am submitting this notice within five business days after I began the practice of public accountancy in California on ____/____/____. My reason(s) for not providing notice on or before that date:
- _____

6. ☐ I have met the continuing education requirements and any exam requirements for the state of licensure identified in Item 3 above.

I consent and agree to the following:

7. ☐ To comply with the laws of the State of California, including the California Accountancy Act (Business and Professions Code Section 5000 et seq., accessible at http://www.dca.ca.gov/cba/acnt_act.htm) and the regulations thereunder (accessible at <http://www.dca.ca.gov/cba/regs.htm>).
8. ☐ To the personal and subject matter jurisdiction of the CBA including, but not limited to, the following:
- a. To suspend, without prior notice or hearing and in the sole discretion of the CBA or its representatives, the privilege to practice public accounting;
 - b. To impose discipline for any violation of the California Accountancy Act or regulations thereunder and recover costs for investigation and prosecution; and
 - c. To provide information relating to a practice privilege and/or refer any additional and further discipline to the board of accountancy of any other state and/or the Securities and Exchange Commission (SEC), the Public Company Accounting Oversight Board (PCAOB) or other relevant regulatory authorities.
9. ☐ To respond fully and completely to all inquiries by the CBA relating to my California practice privilege, including after the expiration of this privilege.
10. ☐ To the authority of the CBA to verify the accuracy and truthfulness of the information provided in this notification. I consent to the release of all information relevant to the CBA's inquiries now or in the future by:
- a. Contacting other state agencies;
 - b. Contacting the SEC, PCAOB or any other federal agency before which I am authorized to practice; and
 - c. Contacting NASBA.
11. ☐ In the event that any of the information in this notice changes, to provide the CBA written notice of any such change within 30 days of its occurrence.
12. ☐ To timely submit the fee of \$100.00.

REQUIREMENTS FOR SIGNING ATTEST REPORTS:

I wish to be able to sign an attest report under this practice privilege and, if so, I have at least 500 hours of experience in attest services. ☐ Yes ☐ No

DISQUALIFYING CONDITIONS:

Please respond to the following items. For any items checked "yes" in (A) – (G), you must provide additional information as requested in Attachment 1, and you are not authorized to practice in California unless and until you receive notice from the CBA that the privilege has been granted.

- | | | | |
|--------------------------|--------------------------|----|--|
| Y | N | A. | I have been convicted of a crime other than a minor traffic violation. |
| <input type="checkbox"/> | <input type="checkbox"/> | | |
| Y | N | B. | I have had a license, registration, permit or authority to practice a profession surrendered, denied, suspended, revoked, or otherwise disciplined or sanctioned except for the following occurrences: |
| <input type="checkbox"/> | <input type="checkbox"/> | | |
- (1) an action by a state board of accountancy in which the only sanction was a requirement that the individual complete specified continuing education courses.
 - (2) the revocation of a license or other authority to practice public accounting, other than the license upon which the practice privilege is based, solely because of failure to complete continuing education or failure to renew.

- | | | | |
|-------------------------------|-------------------------------|----|--|
| Y
<input type="checkbox"/> | N
<input type="checkbox"/> | C. | I am currently the subject of an investigation, inquiry or proceeding by or before a state, federal, or local court or agency (including the PCAOB) involving my professional conduct. |
| Y
<input type="checkbox"/> | N
<input type="checkbox"/> | D. | I have an unresolved administrative suspension or an unpaid fine related to a prior California practice privilege. |
| Y
<input type="checkbox"/> | N
<input type="checkbox"/> | E. | I did not respond to a request for information from the CBA related to a prior practice privilege. |
| Y
<input type="checkbox"/> | N
<input type="checkbox"/> | F. | I have been notified by the CBA that prior Board approval is required before practice under a new practice privilege may commence. |
| Y
<input type="checkbox"/> | N
<input type="checkbox"/> | G. | I have had a judgment or arbitration award against me involving my professional conduct in the amount of \$30,000 or greater. |

REQUIRED ADDITIONAL INFORMATION:

I currently hold a California Practice Privilege. ☐ Yes ☐ No

Expiration date: _____ Unique Identifier: _____

I have held a California CPA/PA license. ☐ Yes ☐ No License number: _____

In addition to the state of licensure identified in Item 3, I am also authorized to practice public accountancy in the following:

State: _____ License Number: _____ Other Authority: _____

State: _____ License Number: _____ Other Authority: _____

An answer of "no" to any of the following statements does not disqualify you from a California practice privilege.

I am an associated person of a firm registered with the PCAOB. ☐ Yes ☐ No

My firm has undergone peer review within the last three years. ☐ Yes ☐ No

The state of licensure identified in Item 3 requires CE in fraud detection. ☐ Yes ☐ No
If yes, I have fulfilled this requirement. ☐ Yes ☐ No

I, _____, understand that any misrepresentation or omission in connection with this notification disqualifies me from the California practice privilege and is cause for termination. Further I authorize the California Board of Accountancy to act accordingly, including notifying other state or federal authorities. I certify under penalty of perjury under the laws of the State of California that the foregoing information is true and correct.

Signature: _____ Date: _____

Unless you have checked "Y" to any items under Disqualifying Conditions, your privilege to practice commences with the submission of your properly completed notification. Your fee must be received within 30 days. Your privilege expires one year from the date of submission of this notification.

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**ATTACHMENT 1**

Name: _____

1. If you checked "yes" to any of items A – G under Disqualifying Conditions, please provide explanatory details:

2. If you checked "yes" to Item G under Disqualifying Conditions, please also provide:

Date of Judgment/
Arbitration Award: _____ Jurisdiction/Court: _____ Docket No: _____

PERSONAL INFORMATION COLLECTION AND ACCESS: The information provided in this form will be used by the California Board of Accountancy to determine whether you qualify for practice privilege in California. Sections 5096 through 5096.11 of the California Business and Professions Code authorize the collection of this information. Failure to provide any of the required information is grounds for rejection of the form as being incomplete. Information provided may be transferred to the Department of Justice, a District Attorney, a City Attorney, or to another government agency as may be necessary to permit the Board, or the transferee agency, to perform its statutory or constitutional duties, or otherwise transferred or disclosed as provided in California Civil Code Section 1798.24. Each individual has the right to review his or her file, except as otherwise provided by the California Information Practices Act. Certain information provided may be disclosed to a member of the public, upon request, under the California Public Records Act. The Executive Officer of the California Board of Accountancy is responsible for maintaining the information in this form, and may be contacted at 2000 Evergreen Street, Suite 250, Sacramento, CA 95815, telephone number (916) 263-3680 regarding questions about this notice or access to records.



Please complete the above information exactly as you provided on your Notification Form to facilitate the proper and timely association of your payment with your Notification Form. If you are mailing us your Notification Form, we advise you to submit your \$100 fee with your Notification Form to ensure that you have no lapse in your California Practice Privilege.

User Name

Upon receipt of a paper Notification Form, a client account will be created that can be accessed via the Board's Web site at www.dca.ca.gov.cba. For the CBA to establish your client account, a User Name must be created. You have the option to select your own User Name by completing the space provided on the Remittance Form; however, the Remittance Form must be received concurrently with your Notification Form in order for you to select your own User Name. If you fail to submit the Remittance Form, a User Name will be created for you, and you will be informed of your User Name and password. You will have the option of changing your password upon entering your client account; however, you will not be able to change your User Name.

Note: Please provide one alternative for your User Name in the event that your first preference is not available.

If you choose to create your own User Name, you must adhere to the following specifications:

- User Names cannot contain spaces or special characters.
- User Names must begin with an alpha letter and not a number.
- User Names can be no less than seven characters and no more than sixteen characters.
- User Names are case sensitive.

If you fail to follow these specifications a User Name will be selected for you.

User Name: _____

Alternative

User Name: _____

OFFICIAL USE ONLY

Payment Amount \$ _____
Postmark Date ____/____/____
To Cashier ____/____/____ Int. _____

PERSONAL INFORMATION COLLECTION AND ACCESS: The information provided in this form will be used by the California Board of Accountancy to determine whether you qualify for practice privilege in California. Sections 5096 through 5096.11 of the California Business and Professions Code authorize the collection of this information. Failure to provide any of the required information is grounds for rejection of the form as being incomplete. Information provided may be transferred to the Department of Justice, a District Attorney, a City Attorney, or to another government agency as may be necessary to permit the Board, or the transferee agency, to perform its statutory or constitutional duties, or otherwise transferred or disclosed as provided in California Civil Code Section 1798.24. Each individual has the right to review his or her file, except as otherwise provided by the California Information Practices Act. Certain information provided may be disclosed to a member of the public, upon request, under the California Public Records Act. The Executive Officer of the California Board of Accountancy is responsible for maintaining the information in this form, and may be contacted at 2000 Evergreen Street, Suite 250, Sacramento, CA 95815, telephone number (916) 263-3680 regarding questions about this notice or access to records.